

## Message Text

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51

ACTION EB-07

INFO OCT-01 NEA-06 IO-10 ISO-00 AGR-05 CEA-01 CIAE-00

COME-00 DODE-00 FRB-01 H-01 INR-05 INT-05 L-02 LAB-01

NSAE-00 NSC-05 PA-01 RSC-01 AID-05 CIEP-01 SS-15

STR-01 TAR-01 TRSE-00 USIA-06 PRS-01 SP-02 FEAE-00

OMB-01 SWF-01 /086 W

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R 251724Z NOV 74

FM USMISSION GENEVA

TO SECSTATE WASHDC 9387

INFO AMEMBASSY TEL AVIV

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E.O. 11652: N/A

TAGS: GATT ETRD IS

SUBJECT: NEW ISRAELI BALANCE-OF-PAYMENTS MEASURES

REF: GENEVA 6517

1. ISRAEL HAS NOTIFIED GATT OF ADDITIONAL BALANCE-OF-PAYMENTS MEASURES TAKEN CONCURRENTLY WITH RECENT DEVALUATION. WHILE IMPORT SURCHARGE HAS BEEN REDUCED FROM 35 TO 15 PERCENT, IMPORTS OF SOME LUXURY GOODS HAVE BEEN PROHIBITED AND CUSTOMS DUTIES ON OTHER LUXURY GOODS INCREASED BY 10 PERCENT. NET EFFECT OF ENTIRE PACKAGE DIFFICULT TO EVALUATE ON BASIS GATT NOTIFICATION (L/4112, 19 NOVEMBER, COPIES POUCHED NORMAL WASHINGTON DISTRIBUTION).

2. AS DEPARTMENT AWARE, ISRAEL HAS ALREADY APPEARED BEFORE GATT BALANCE-OF-PAYMENTS COMMITTEE TWICE IN PAST EIGHT MONTHS. MOST RECENT APPEARANCE (REFTEL) WAS ONLY LAST MONTH. WHILE THERE MAY SEEM BE

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RISK OF ESTABLISHING BAD PRECEDENT IF NEW CHANGES

GO UNEXAMINED, MISSION BELIEVES THIS RISK IS MINIMAL. DURING BOP REVIEWS, THERE WAS GENERAL RECOGNITION THAT MANY OF ISRAEL'S DIFFICULTIES ARE UNIQUE. FURTHER, ISRAEL HAS BEEN SCRUPULOUS IN NOTIFYING CHANGES TO GATT. BEARING DOWN TOO HARD UNDER CIRCUMSTANCES MIGHT SIMPLY ENCOURAGE ISRAEL TO DO WHAT GREECE AND OTHER HAVE DONE: IMPOSE RESTRICTIONS WITHOUT NOTIFYING THEM.

3. WE THEREFORE RECOMMEND U.S. MAKE NO REFERENCE TO NEW ISRAELI MEASURES IN GATT FORA UNLESS SOME NEW CONSIDERATION SHOULD APPEAR.ABRAMS

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** COMMODITIES, PRICES, BALANCE OF PAYMENTS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 25 NOV 1974  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** MorefiRH  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1974GENEVA07155  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** D740341-1032  
**From:** GENEVA  
**Handling Restrictions:** n/a  
**Image Path:**  
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**Line Count:** 72  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ACTION EB  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:**  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** GENEVA 6517  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** MorefiRH  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 19 JUN 2002  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <19 JUN 2002 by elyme>; APPROVED <20-Nov-2002 by MorefiRH>  
**Review Markings:**

Declassified/Released  
US Department of State  
EO Systematic Review  
30 JUN 2005

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** NEW ISRAELI BALANCE-OF-PAYMENTS MEASURES  
**TAGS:** ETRD, IS, GATT  
**To:** STATE  
**Type:** TE  
**Markings:** Declassified/Released US Department of State EO Systematic Review 30 JUN 2005